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The original instrument was prepared by Carla S. Roberts. The following digest, which does not constitute a part of the legislative instrument, was prepared by Cathy Wells.

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## DIGEST

Crowe (SB 516)

Present law provides for the regulation of corporations, limited liability companies and partnerships by the secretary of state.

Proposed law retains present law but provides that no document or record required to be submitted to the secretary of state by a business corporation, limited liability company, or partnership that contains changes in the names of any officer, member, manager, or partner, or any agent thereof will be submitted to the secretary when the document removes an officer, member, manager, or partner from the records until such time as either of the following take place:

1. Express consent has been given by the person to be removed.
2. The person to be removed has been notified in writing by certified mail, return receipt requested.

Proposed law deems "notification" sufficient in any of the following circumstances:

1. Actual receipt of the certified mail is made upon the person to be removed.
2. Certified mail was mailed to the succession representative, if the person to be removed is deceased.
3. Certified mail was mailed to the person to be removed at the address on record with the secretary of state or to the succession representative and the letter was returned by the post office undelivered or undeliverable.

Proposed law excludes non-profits from the scope of proposed law.

Proposed law provides that it shall be unlawful for any officer, member, manager, or partner, or any agent thereof, to remove the name of any other officer, member, manager, or partner from any record or document which is filed with the secretary unless the individual whose name is to be removed has consented or been notified in writing by certified mail, return receipt requested, of the removal prior to such submission to secretary.

Proposed law provides that should any officer, member, manager, or partner have his name removed from any document or record of the secretary of state, in violation of proposed law, the aggrieved party may file suit in the domicile of such business entity against the officer, member,

manager, or partner, or their agent, who caused the aggrieved party's name to be removed from such document or record.

Proposed law requires the secretary of state to be made a party to the suit.

Proposed law provides that the court will conduct a hearing within 10 days after service of process of the suit.

Proposed law provides that should the court find that the name of the aggrieved party was improperly or fraudulently removed from the documents and records of the secretary of state, the court shall order the secretary to replace the name of the aggrieved individual to all appropriate documents and records.

Effective August 1, 2012.

(Adds R.S. 12:1701)

#### Summary of Amendments Adopted by Senate

##### Committee Amendments Proposed by Senate Committee on Commerce, Consumer Protection, and International Affairs to the original bill.

1. Removes the requirement that a notice must be printed on every form or document which is filed with the secretary of state.

##### Senate Floor Amendments to engrossed bill

1. Changes the court the aggrieved party is required to file suit in from the 19<sup>th</sup> JDC to the court where such business entity is domiciled.
2. Limits of scope of proposed law to documents that contain changes in the names of any officer, member, manager, or partner, or any agent thereof.
3. Excludes non-profits from proposed law.
4. Provides for notification and consent of person to be removed.